

## **REMARKS**

### **Status of the Claims**

- Claims 1-6 are pending in the Application after entry of this amendment.
- Claims 1-6 stand rejected.
- Claim 1 is amended.

### **Claim Rejections Pursuant to 35 U.S.C. §102**

Claims 1-3, and 5-6 stand rejected pursuant to 35 U.S.C. §102(b) as being anticipated by U.S. Patent No. 6,151,588 to Tozzoli et al. (Tozzoli).

Tozzoli teaches an improvement of the standard use of international letters of credit for conducting sales of goods between different countries (See Tozzoli, col. 1 lines 10-21, and Figure 1). Tozzoli achieves this by using a computer system that stores criteria specified by a funder relating to trade transactions for buyers and sellers. The system compares the criteria with a proposed purchase order to determine whether the system can generate a payment guarantee on behalf of the funder for the buyer to the seller. The system also compares subsequent documents relating to an original purchase order with the original purchase order to ensure that the terms of the purchase order are properly fulfilled. When the appropriate conditions for payment are met, the system issues a funds transfer instruction to transfer payment from the buyer to the seller. (See Tozzoli, Abstract)

In the current letter of credit system, delivery of the good to the hands of the buyer of the goods is only completed after confirmation that a bank has made a payment to the seller. Often, the goods are shipped, but are held in trust by a broker and not delivered to a buyer until after confirmation of payment via a bank. Tozzoli teaches in col. 1, lines 56-60: “The buyer obtains the bill of lading from its bank after payment, and then the buyer and its broker arrange for presentation of the bill of lading to the carrier and delivery of the goods to the buyer's location. Often, the carrier delivers the goods to the buyer's broker at the customs entry point of the buyer's country.” (Tozzoli, col. 1, lines 56-60).

The improved system of Tozzoli, as expressed in the flow diagrams of Figures 3A through 3C indicate that goods are ordered via purchase order (P.O.) at step 620. Filtering of the P.O. is accomplished, and the goods are delivered to a carrier in step 700 of Tozzoli

Figure 3A. The Tozzoli system produces a bill of lading at step 760 and the goods are placed in transit in step 820 of Tozzoli Figure 3B. A copy of the bill of lading is sent to a bank and the funds are transferred in steps 850-880 of Tozzoli Figure 3C. Confirmation or notification of the payment is given to the seller in steps 900-910 and then, after authorization, the goods are transferred to the buyer at step 930 of Tozzoli of Figure 3C.

Thus, even though the system of Tozzoli produces a guarantee of payment ( See Figures 2A-2B and related description in Tozzoli), the system still waits until a confirmation of payment is received before sending the purchased goods to a buyer.

Independent Claim 1 is amended to recite “wherein an order receiver then ships the commodity to a user of the receiver side terminal before confirming payment with the receiver side terminal.” Support for this amendment is found in the specification on pages 22-23.

Since Tozzoli teaches waiting until a confirmation is received before shipping goods to a buyer and fails to teach shipping a commodity to a user before confirming payment, then Tozzoli cannot anticipate amended Claim 1. Applicant respectfully requests withdrawal and reconsideration of the 35 U.S.C. §102(b) rejection of Claims 1-3, and 5-6 because these claims patentably define over the cited art.

#### **Claim Rejections Pursuant to 35 U.S.C. §103 (a)**

Dependent Claim 4 stands rejected under 35 U.S.C. §103(a) as being unpatentable over .S. Patent No. 6,151,588 to Tozzoli et al. (Tozzoli) in view of U.S. Patent No. 6,539,360 to Kadaba. Applicant respectfully traverses the rejection.

As stated above, Tozzoli fails to disclose all elements of amended independent Claim 1. In addition, Applicant notes that Kadaba discloses special handling processing in a package transportation system but fails to specifically address shipment of a commodity before confirming payment of the commodity. Thus, like Tozzoli, Kadaba fails to teach all elements of amended Claim 1 upon which dependent Claim 4 depends.

Accordingly, the combination of Tozzoli and Kadaba does not form a prima facie case of obviousness under 35 U.S.C. §103(a) per MPEP §2143.03 of the amended pending claims because all elements are not taught in the combination. Applicant respectfully requests

**DOCKET NO.:** SHIO-0110 (A05-035)  
**Application No.:** 10/537,649  
**Office Action Dated:** December 12, 2007

**PATENT  
REPLY FILED UNDER EXPEDITED  
PROCEDURE PURSUANT TO  
37 CFR § 1.116**

withdrawal of the 35 U.S.C. §103(a) rejection of pending Claim 4 as this claim patentably defines over the cited art.

**Conclusion**

Applicant respectfully requests reconsideration of all pending claims in light of the amendments and discussion above. Applicant respectfully submits that all pending claims patentably define over the cited art.

Respectfully Submitted,

Date: March 12, 2008

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